

EXHIBIT K



**DEPARTMENT OF
ENVIRONMENTAL
PROTECTION**

59-17 Junction Boulevard
Flushing, New York 11373

**Emily Lloyd
Commissioner**

Carol E. Fenves
AGENCY CHIEF CONTRACTING OFFICER

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July 13, 2007

Mr. Jeff Deurlein
General Manager
Schlesinger-Siemens Electrical, LLC
100 Technology Drive
Alpharetta, GA 30005

**Re: Project No. 26W-12E; Payment and use of J&R Rey Electrical
Unacceptable**

Dear Mr. Deurlein:

I am in receipt of your letter dated June 28, 2007 in which you explain how you intend to proceed with your subcontract to J&R Rey Electric Contractors Inc. The payment methods and the way you intend use of the MBE subcontractor for credit are unacceptable to this office. We do not see how J&R Rey is a productive subcontractor on this job. It appears that J&R Rey is being used as a passive conduit of funds. The full amount of their subcontract is either going to other entities, including a sub-section of your firm, or is going to the union. A union contractor should be able to pay their own dues payments, not through another party.

We need to know what actual work is being done by J&R Rey. I also want to know where J&R Rey's supervisory staff is coming from, specifically, were their supervisors previously employed by Schlesinger-Siemens? I want to know if the workers being provided by the union are currently working for your company and being re-assigned to work for J&R Rey.

I understand purchasing the equipment from a supplier, including from a subsidiary of your firm, but what services is SE&A providing that J&R Rey would not be capable of doing with their own workforce? Also, please provide a list of all the equipment and supplies that are being purchased and/or provided by J&R Rey that are not being provided by SE&A.

Until these issues are resolved, we will not approve this arrangement. If you can not answer these questions to our satisfaction, we suggest you seek alternate MBE participation to meet your goals.

Sincerely,

A handwritten signature in dark ink, appearing to read "Alan Wasserman", is written over a horizontal line.

Alan Wasserman
Deputy Agency Chief Contracting Officer

cc: Frank Krutemeier - Schlesinger-Siemens Electrical, LLC
Daniel Katz - Contract Compliance, 17T
Borsykowsky/Cox - BEDC, 4LR; Walsh - H&S; Rastocky - H&S;
Kohlmann - H&S

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